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VIA BLACK PATCH WH52584

State Dept. review completed

TOHAK 44

DECEMBER 16, 1975

MEMORANDUM FOR: FROM: SUBJECT: THE PRESIDENT BRENT SCOWCROFT INFORMATION ITEMS:

SOVIET FLEXIBILITY ON ANGOLAS. OUR EMBASSY IN MOSCOW REPORTS THAT DUTEGRING UK AMBASSADOR GARVEY RAISED THE ISSUE OF ANGOLA DURING HIS RECENT PAREWELL CALL ON CHAIRMAN PODGORNY, NOTING THAT "MANY THINK" THE SOVIET CONDUCT! THERE IS INCONSISTENT WITH PEACEPUL COEXISTENCE AND DETENTE. ACCORDING TO THE EMBASSY RE-PORTING, PODGORNY REPLIED THAT THE PROBLEM IS PRINCIPALLY ONE FOR THE AFRICANS THEMSELVES TO SOLVE, BUTSTHATS THE SOVIETS HAD RECOGNIZED THE MPLA AS THE LEGITIMATE GOVERNMENT IN ANGOLA, THAT THE MPLA HAD A RIGHT TO REQUEST SOVIET ASSISTANCE, AND THAT THE BOVIETS HAD A RIGHT TO PROVIDE IT. PODGORNY COMPLAINED THAT THE WESTERN PRESS HAD PRINTED A LOT ON SOVIET AND LITTLE ON SOUTH APRICAN INTERVENTION AND SAID THAT "TEN" OR TWENTYH SOVIET) PECIALISTS CANNOT BE CALLED MMASSIVE ? # PODGORNY SAID THAT THE SOVIETS SAW FIRE MPLA OR A COALITION AROUND THE MPLAYF ASTIME. FUTURE OF ANGOLA. THE EMBASSY COMMENTS THAT IT IS PASSING ON THE ABOVE INFORMATION IN VIEW OF PODGORNY IS RANK AND BE-CAUSE HIS OBSERVATIONS TEND TO CORROBORATE SUGGESTIONS IN OTHER REPORTING THAT THE SOVIETS ARE PREPARING THEMSELVES FOR THE POSSIBILITY OF A COALITION BUILT AROUND THE MPLAL.

A

-- THE FOREIGN MINISTRY REALIXES ITS ORIGINAL REQUEST FOR

SECFLE, SDO

P\$N#851222

TOR:358/82:41Z

ON-FILE NSC RELEASE INSTRUCTIONS APPLY

****** TOP SECORE TO *****

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******* TOOR SECRET STEST *****

\$1.5 BILLION IN SECURITY ASSISTANCE WAS A MISTAKE BUT STILL HOPES FOR SOME SORT OF REDUCEDCOMPENSATION IN RETURN FOR A RENEWED DEFENSE AGREEMENT AND REOPENING OF THE BASES.

THE PRIMARY OBJECTIVE OF THE FOREIGN MINISTRY IN THE NEGOTIATIONS IS A FCONGRESS-PROOF AGREEMENT, WHICH WOULD ENSURE THAT THE FLOW OF U.S. ARMS TO TURKEY COULD NOT BE HALTED BY CONGRESS.

SOME FOREIGN MINISTRY OFFICIALS FEAR THAT CONGRESSIONAL RESERVATIONS COULD PREVENT THE U.S. FROM AIDING ANKARA EVEN IN THE EVENT OF A TURCO-SOVIET WAR. FOR THIS REASON, THE TURKISH PRIME MINISTER AND FOREIGN MINISTER ARE ALSO LOOKING FOR A NATO ARMS GUARANTEE.

IBMIS REVOLUTION IN BULGARIA-S EMBASSY SOFIA REPORTS THAT IBM, FOLLOWING ON ITS RECENT SALE OF COMPUTER SYSTEMS TO THE BULGARIAN STATE PLANNING COMMITTEE AND PENDING AN OFFICIAL STAMP OF APPROVAL, WILL SOON SET UP A NEW MECONOMIC ORGANIZATION DESIGNED PRIMARILY FOR MAINTENANCE OF THE SYSTEMS. THE ORGANIZATION WOULD INCORPORATE SEVERAL UNIQUE FEATURES:

STATE ORGANIZATION ESTABLISHED TO REPRESENT WESTERN FIRMS IN BULBARIA.

RECEIVE PAYMENTS IN LOCAL CURRENCY, AND REMIT PROFITS IN HARD CURRENCY.

-- IBM WILL BE LEGALLY ENTITLED TO STATION A PERMANENT NON-BULGARIAN REPRESENTATIVE IN SOFIA.

TT APPEARS THE GOVERNMENT OF BULGARIA HAS OVERCOME WHATEVER OBJECTIONS IT MAY HAVE MAD TO THE ABSENCE OF COMPLETE CONTROL. THE EMBASSY COMMENTS THAT OFFICIAL APPROVAL OF THE IBM PLAN MAY BE REGARDED AS PARTIAL IMPLEMENTATION OF BASKET II OF THE CSCE FINAL ACT AND MAY SERVE AS A MODEL FOR SIMILAR ARRANGED MENTS WITH OTHER FIRMS. RUMOR HAS IT THAT A FORTHCOMING AMENDMENT TO INTERPRED'S AUTHORIZATION DECREE WILL PERMIT NON-BULGARIAN BUSINESS REPRESENTATIVES TO RESIDE IN BULGARIA WHILE WORKING THROUGH INTERPRED AGENCIES. THIS DEVELOPMENT, WHILE IMPORTANT, WOULD BE INSIGNIFICANT IN COMPARISON TO NEW CONCEPTS WHICH IBM'S ORGANIZATION WILL INTRODUCE.

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